Postal Regulatory Commission Submitted 11/13/2017 12:46:15 PM Filing ID: 102475 Accepted 11/13/2017

## UNITED STATES OF AMERICA POSTAL REGULATORY COMMISSION WASHINGTON, DC 20268-0001

Competitive Product Prices
Priority Mail & First- Class Package Service
Contract 9 (MC2016-44)
Negotiated Service Agreement

Docket No. CP2016-59

PUBLIC REPRESENTATIVE COMMENTS ON POSTAL SERVICE NOTICE OF AMENDMENT TO PRIORITY MAIL & FIRST-CLASS PACKAGE SERVICE CONTRACT 9

(November 13, 2017)

The Public Representative hereby provides comments pursuant to the Commission's Notice initiating the above referenced docket.<sup>1</sup> In that Order, the Commission established the above referenced docket to receive comments from interested persons, including the undersigned Public Representative, on the Postal Service's Notice of Filing of An Amendment to Priority Mail & First-Class Package Service Contract Number 9.<sup>2</sup>

The Postal Service's Notice includes a certified statement as required by 39 C.F.R. § 3015.5, a public (redacted) version of the Amendment to Priority Mail & First-Class Package Service Contract 9, and supporting financial data estimating the contract value during the final year of the contract.

In Order No. 2965, the Commission approved the Postal Service's request to add a new product identified as Priority Mail & First-Class Package Service Contract 9 to the

<sup>&</sup>lt;sup>1</sup> PRC, Notice Initiating Docket No. CP2016-59, November 6, 2017

<sup>&</sup>lt;sup>2</sup> USPS Notice of Change in Prices Pursuant to Amendment to Priority Mail & First-Class Package Service Contract 9, November 3, 2017 (Notice).

Competitive Product List.<sup>3</sup> The instant amendment amends the terms of Section I.B, and Tables 3-5 of this contract. Attachment A at 1.

The effective date for Contract 9 is two (2) business days following the day on which the Commission issues all necessary regulatory approvals. *Id.*, Notice at 1. The contract, as originally filed, was set to expire 3 years from its effective date, or approximately November 25, 2018 unless either party terminated the contract on 30 days' prior written notification, or other specific events. PRC Order No. 2965.

## **COMMENTS**

The Public Representative has reviewed the Postal Service's Notice of Amendment to Priority Mail & First-Class Parcel Service Contract 9 and the financial data filed under seal with the Postal Service's Notice. Based upon that review, the Public Representative concludes that Contract 9, as amended, should continue to generate sufficient revenues to cover costs and thereby satisfy 39 U.S.C. § 3633(a) and thus should be approved by the Commission.

Finally, the Postal Service must file revenue and cost data for Contract 9 in future Annual Compliance Reports. This data will permit the Commission to annually review the financial results for Priority Mail & First-Class Package Service Contract 9 in a future Annual Compliance Determination (ACD) report for compliance with 39 U.S.C. § 3633(a).

-2-

<sup>&</sup>lt;sup>3</sup> See Order No. 2965 Order Adding Priority Mail & First-Class Package Service Contract 9 to the Competitive Product List, Docket Nos. MC2016-44/CP2016-59, December 30, 2015.

The Public Representative respectfully submits the foregoing comments for the Commission's consideration.

Kenneth R. Moeller

Public Representative

901 New York Ave. NW Washington, DC 20268-0001 202-789-6888 kenneth.moeller@prc.gov